



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

P.O. Box 1320, Yellowknife, NT X1A 2L9

Tel: 867-767-9097 • Fax: 867-920-0798 • Web: www.orogo.gov.nt.ca

Courier Address: 4th floor, 5201 – 50th Avenue, Yellowknife, NT X1A 3S9

John Hawkins
Director, Asset Management
MGM Energy
SUITE 2800, 421 – 7 AVE SW
CALGARY AB T2P 4K9

October 26, 2022

Dear John Hawkins:

**Information Request No. 1:
East Mackay I-78 Well Abandonment (ACW-2022-MGM-I-78-WID2078)**

On August 5, 2022, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application to Alter the Condition of a Well (ACW) from MGM Energy (MGM) for the abandonment of the East Mackay I-78 well (WID 2078) in the Sahtu Settlement Area.

OROGO has reviewed the information provided by MGM and requires additional information to complete its review of MGM's ACW application, as set out in the attached Information Request No. 1.

Please send your written responses and any associated correspondence to OROGO at orogo@gov.nt.ca or through OROGO's secure file transfer site, on or before 4:00 pm on November 15, 2022. If you are unable to respond within this timeframe or have any questions, please contact OROGO at 867-767-9097 or by email at orogo@gov.nt.ca.

Sincerely,



Pauline de Jong
Regulator

Encl. Information Request No. 1

Information Request No. 1
East Mackey I-78 Well Abandonment
ACW-2022-MGM-I-78-WID2078

1.1 Repeated Program Steps

Preamble:

The proposed well abandonment program references removal of the Cameron Back Pressure Valve at step 10 and again at step 14. Therefore, it is not clear whether the valve is to be removed before or after BOP and accumulator function testing the BOP.

Request:

Submit an updated well abandonment program that clarifies when the Cameron Back Pressure Valve is to be removed.

1.2 Isolation of Perforated Zones

Preamble:

Section 56 of the *Oil and Gas Drilling and Production Regulations* (OGDPR) requires the operator to isolate all oil and gas bearing zones and discrete pressure zones when abandoning a well. Section 6A of the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines) states that, for cased hole wells with perforations, the operator must abandon each perforated zone using one of three options (for a Level II well):

- Cement squeeze and cement retainer;
- Cement squeeze and cement / bridge plug; or
- Permanent bridge plug.

The final well completion diagram, dated March 1, 2013, indicates perforations at five different places in the wellbore, corresponding to the Bluefish Shale and lower and upper Canol Shale. The proposed well abandonment program does not comply with the requirement to abandon each perforated zone.

Request:

Submit an updated well abandonment program that complies with the Guidelines or proposes an alternative approach.

If an alternative approach is proposed, provide a rationale and identify any exemptions required from the Guidelines.

1.3 Abandoned Well Marker

Preamble:

The abandoned well marker diagram shown at step 40 of MGM's proposed well abandonment program does not reflect the changes made in the revised *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines), issued in May 2022.

Request:

Submit an updated abandonment program that includes the abandoned well marker requirements found in section 6E of the May 2022 Guidelines.

1.4 Corrections to Final Well Completion Diagram

Preamble:

The Final Well Completion diagram submitted with the well abandonment program is dated March 1, 2013. The well history provided indicates that, on September 19, 2013, recorders were recovered from the well, new recorders placed in the well, and a plug set at 1812.3 mCF.

The Final Well Completion diagram does not capture the changes to the well made on September 19, 2013. It also identifies perforations at 1946-1948 mKB and 1882-1883 mKB as "proposed", which is inconsistent with the well history provided.

Request:

Submit a corrected Final Well Completion diagram that accurately reflects the well history provided.